GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2653
ANSWERED ON:16.12.2004
PUMPING OF CRUDE OIL
Thummar Shri Virjibhai

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether land occupied for the pumping of crude oil from the well in the farm by ONGC is on rental basis;

(b) if so, whether the Union Government has directed ONGC to purchase the particular small area of land;

(c) if so, whether ONGC will negotiate with farmers to fix the price;

(d) whether the authority will try to find out, whether farmers are really interested to sell the land or to continue on rental basis; and

(e) if so, the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b) ONGC is acquiring land in various states for exploration and production of oil and gas from the wells either from farmers on a rental basis, initially for three years, or from the respective State Governments in the case of government land.

When a particular well becomes dry, the land is surrendered back to the farmer with restoration cost so that it becomes suitable for cultivation.

For laying pipelines, ONGC obtains the Right of Use (ROU) and after laying the pipeline, land is returned to the farmers with compensation.

However, in setting up any Installation, a bigger area is acquired permanently, in terms of the Land Acquisition Act, through the State Government concerned.

The land is acquired permanently through negotiation with farmers, with the consent of the competent authority, in terms of the Land Acquisition Act, whenever the well starts producing.

(c) Yes Sir. ONGC negotiates the price with farmers in association with the Revenue Authorities.

(d) Normally farmers are interested in rental scheme but ONGC prefers to acquire the land permanently if the wells have started producing or an installation is to be set up.

(e) The details of compensation paid to farmers during the last three years towards rentals/ acquisition of land are as follows:-

Year	Compensation paid to Farmers (Rs. crore)
2001-2002	15.07
2002-2003	15.42
2003-2004	19.29
2004-2005	07.89

(upto 30.09.04)